



# Evolving our capabilities and business model

## To provide value for pension dollars.

### KEY HIGHLIGHTS:

In 2016, OMERS made progress in the development of a new pension administration system. This system will be important to achieving OMERS goal of providing high-quality, value-driven service for members and employers.

We are investing in our information technology capabilities which will provide cost efficiencies in the long run.

In 2016, OMERS focused on initiatives which reflected this commitment, including evolving our procurement and project management processes, seeking out income streams to defray costs, and strengthening our focus on cost awareness.

We expect our Cost Per Member to increase over the near term as we replace our pension administration system, invest in technology, and prepare for a greater number of retirements and a higher volume of pension transactions. Once these near-term investments create efficiencies, we expect our Cost Per Member to reduce to our target of \$185 per member, compared to \$189 in 2016 and \$161 in 2015.

The initiatives introduced in 2016 help ensure OMERS will achieve our cost objectives by 2020, reducing our investment Management Expense Ratio to below 50 basis points. The investment Management Expense Ratio was 61 basis points in 2016, compared to 57 basis points in 2015.

In addition to enhancing systems and processes, we continued to develop our employees, providing further opportunities for advancement within the organization. OMERS works to ensure that different opinions, perspectives and cultural references are respected and leveraged to achieve highly effective organizational performance and business results.